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"The Future of the Internet as Baby Boomers Age"

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The Pew Internet Project is a non-partisan, non-profit research organization, funded by the Pew Charitable Trusts. We study the social impact of the internet, which means we measure who's online and what they do, but also who is not online and why. Most of our research is based on telephone surveys, which we feel provide a pretty accurate picture of the changing population. All our reports and data sets are available for free on our site: pewinternet.org.

Our latest report, "Digital Divisions" shows that while internet penetration continues to rise, the new recruits to the online army are actually veterans signing up for a second or third tour. That is, people who used to drop on & off-line are now more likely to keep their internet access. Internet users with less than one year of experience, also known as newbies, have become a rare breed online. Those who are online and those who are offline seem to be closing ranks in their respective camps. If you're on, you're on. If you're off, you're off.

Things were not always this way. You might remember the early days of enthusiasm among curious non-users. In 1995, I took my laptop over to my grandmother's house in Baltimore, to show her the Web. She, by the way, is not at all afraid of technology. She worked alongside my grandfather in a science lab in the 40s, 50s, and 60s, had a CB radio in the 70s, and started using computers in the 80s. When I showed her the Web, she leaned back in her chair, and said, "I was born too early." But it wasn't true. She got an AOL account and has been online almost daily for the past 10 years. She used to travel the world to lecture and learn about irises, the flower, and she now is able to exert her influence via email on the International Iris Society listserve. She is an example of the extraordinary and enthusiastic few, the one in four Americans age 65 and over who go online.

(chart of current internet penetration by age)

But there are also millions of older Americans who are offline.

Why does this matter? In ten years, the boomers will age into the 65+ demographic and change everything. In 2001, I dubbed that tall bar of 55-59 year-olds the "Silver Tsunami" because they will swamp all the folks in the 65+ demographic. Boomers' online behavior is more like GenXers' behavior than like their slightly older peers (what we call the "Mature" group currently in their 60s). Boomers are likely to read the news online, instant message, and before the recording industry crackdown, many happily traded music files online. Many boomers are, as usual, embracing new things and not letting go.

The disparity matters b/c those people who are currently offline will probably still be disconnected, and hopefully continuing to live wonderful, long, healthy lives. The percentage may shrink, as more of the "oldest old" die, but a great many offline Americans may be with us for years to come, so we should pay as much attention to them as we pay to the Silver Tsunami of boomers.

The key to this chart is that most non-internet users under age 40 have been online before – they just lost their access because they left school, lost their job, or some other reason. Younger Americans are highly likely to have first-hand experience with the internet and a network of friends who are also online. The majority of Americans over age 65 are not only non-users, they have never been online and probably know few people who use the internet – part of the population of what we call "The Truly Disconnected." They probably couldn't go online if they suddenly needed to access information on the Web.

One of the most striking findings in our latest study is that the percentage of "Truly Disconnected" Americans has not changed in the last three years, despite a 10-point increase in the percentage of adults who go online. The percentage of adults who have never used the internet and do not live in a connected household remains 22%.

(pie chart of access speeds and not online)

When we began our research in the year 2000, less than 5% of Americans had high-speed internet access at home. The number of years someone had been online was a pretty good predictor of their internet activities – if someone in the year 2000 had 3+ years of online experience, for example, it was likely they had bought something online. Newbies were much less likely to have done so. Broadband access at home is now installed for 33% of American adults. There are actually more non-users than dial-up users in the current population. And access speed has replaced years of experience as the most significant factor in our data.

Ann, Donna & Tom at Fidelity raised an important question in one of last year's papers: "Is Web Experience the Same as Web Expertise?" Their answer, essentially, was no. I now raise the question, "Is access speed the new digital division?" It's one of the action items I hope you will take from this conference, no matter what your field, because we at the Pew Internet Project believe that access speed is the preeminent symbol of what William Gibson wrote, "The future is here, it's just unevenly distributed." I would love to have your help investigating what access speed means to the future of the internet.

(chart of broadband access by age)

While we look at the disparities on this chart, and on the following charts, keep in mind that our research has shown that an upgrade in access speed usually upgrades that person to a higher level of usage. On a typical day, a dial-up user takes part in an average of 3 activities and a broadband user takes part in 7.

(chart of broadband access by education)

A broadband user is more likely to say they will turn to the internet first when they have a health question, rather than call a health professional. An educated, prepared patient can ask better questions during their short doctor's appointments. They can be sure they are receiving the highest level of care. Broadband users are confident in their search abilities and many don't hesitate to use the Web to save time, to save money, and to get the best information for themselves and their families.

(chart of broadband access by race)

All of our telephone surveys to date have been conducted only in English. In 2006, we will conduct a comprehensive internet study in both English and Spanish. For now, take our Latino data with a grain of salt – these are the respondents who felt comfortable enough with English to complete the survey on the phone. U.S. Census data tell a different story. Surveys conducted in both English and Spanish in October 2003 found that 37% of Hispanics (age 3+) have internet access, compared with 65% of non-Hispanic whites (also 3+).

(chart of broadband access by income)

So what does all this have to do with the Future of the Internet as the Boomers Age? A great deal.

(first chart repeated here)

I have been struck by a series of Washington Post articles about the new Medicare drug bill. Maybe some of you are in a similar situation to the federal government's – your organization has a service that you think will greatly benefit older Americans and you want it to become the #1, default choice of millions. So let's use it as a case study.

I imagine that some of you know much more about Medicare than I do, but here are my observations in a nutshell.

Medicare recipients are being asked to choose among 73 discount drug card programs, which each come with a print brochure laying out the details. Problem is, according to a June 2004 investigation by the Washington Post, many of the brochures are outdated and consumers must go to a Web site or call an 800 number to get the best information on drug prices. The wrong decision could cost a consumer big money and yet the law restricts a person to changing their mind just once – after that, they are stuck with the card they choose.

OK, so a high-stakes financial decision faces a big group of consumers. Most Internet users might say, "So what, I got a great deal on my car last year based on Web research – all you have to do is look at the information online." But remember, only 26% of seniors and 38% of Americans living with a disability use the Internet. Will they be able to navigate Medicare.gov? Possibly. Older users are as likely as younger ones to look for

health information online – including information about prescription or over the counter drugs.

There's another ray of hope for un-wired Medicare recipients. They might be able to rely on their wired loved ones to do the online research. Indeed, we have consistently found that internet users go online not just to get information for themselves, but to feed it to a whole network of people, both on and offline.

That's why I think "email this page" is an incredibly powerful feature for any site. How many of you emailed your itinerary to someone before leaving on a trip? How many of you have emailed a product description, hoping to get someone's feedback or reminding someone that your birthday was coming up? 94% of wired seniors have used email. Of the sixty or so activities that we have asked about, email is far and away the number one choice, especially among wired seniors. They are more likely to use email than almost anything else. I wish the Medicare site had an "email this page" feature on every page of their site – I think they need to go viral with this plan if they want to reach seniors. Medicare.gov is on very few people's bookmarks – it's not exactly a destination site. But everyone's personal email account is the number one destination site online – reach someone there with an easy to read page of text and you have a good chance of holding their attention for at least a few seconds.

OK, so in our case study, we've locked up the one in four seniors who have internet access. But what about the huge group of Medicare-eligible Americans who say they don't know someone who goes online? They are truly disconnected and therefore left at a disadvantage when it comes to making health care choices. If you are concerned about those seniors, their loved ones need to be alerted and activated – it's not cute anymore that Grandma is too old-fashioned for computers. Someone needs to step up.

The Washington Post has done a very good job covering this story, including the initial investigation and a recent follow-up story about the out of date print brochures. However, I am disappointed that the Washington Post has failed, so far, to mention the fact that while the Medicare site is up to date, only 1 in 4 seniors can access it. I know I'm preaching to the converted here, but another action item that I'd like you to take from this conference is to advocate for accurate representation of the internet population in the media and in policy circles. The Medicare site might be the best-designed, most usable site in the world, but that won't make a difference to the millions of seniors who can't use it at all.

That's the danger of the data that I just showed you. The internet is certainly the norm in this country, but it is not universal. But many of those who are making policy decisions are in those younger, better educated, wealthier brackets of the charts. They may start to assume that most people are online, if not surfing on high-speed connections at home, and that is not the reality.

Baby boomers may bring their years of online experience and their broadband connection into their retirement years, but they will also develop the cognitive and physical

impairments that other speakers have talked about today. Boomers may transform the internet population as they age into those older brackets, but we should not forget the Truly Disconnected, who are overwhelmingly older, less educated, and less well-off financially than the rest of America. They represent the future as well.